

**Introduced by Senator Alquist**

**(Principal coauthor: Senator Strickland)**

(Principal coauthor: Assembly Member Ruskin)

**(Coauthors: Senators Calderon, Harman, Maldonado, and Walters)**

(Coauthors: Assembly Members Blakeslee, Buchanan, Coto, Fuentes,  
Galgiani, Garrick, Harkey, Jeffries, Lieu, Niello, and Portantino)

February 27, 2009

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An act relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 699, as introduced, Alquist. Sales and use tax: manufacturing equipment: energy and water use.

The Sales and Use Tax Law imposes a sales tax on the gross receipts from the retail sale in this state of tangible personal property, or a use tax on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state.

This bill would declare the intent of the Legislature to enact legislation that would exempt from sales and use taxes, the sale and purchase of manufacturing equipment that reduces energy and water use, and increases energy efficiency and water recycling.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. It is the intent of the Legislature to enact
- 2 legislation that would exempt from sales and use taxes, the sale

- 1 and purchase of manufacturing equipment that reduces energy and
- 2 water use, and increases energy efficiency and water recycling.